MICHIGAN LABOR MARKET REVIEW

Vol. XXXIX No. 10 October 1983

JOB SERVICE

Michigan Employment Security Commission

State Unemployment Rate Falls

Michigan's jobless rate fell to its lowest level in nearly two years as the September unemployment rate dropped to 12.3 percent. The number of jobless workers declined by 59,000 over the month to total 527,000. The decrease in unemployment was primarily the result of unsuccessful job seekers abandoning their job searches and summer workers giving up their jobs to return to school. Additionally, the loss of seasonal job holders and unsuccessful job seekers reduced the civilian labor force by 76,000 to 4,294,000. Statewide employment in September registered a small decline as the number of employed individuals fell by 16,000 during the month to 3,768,000. Significant job growth, however, was evident throughout the manufacturing sector signaling a much improved economic climate. Compared with a year ago, employment in Michigan has climbed by 107,000 or three percent, while the size of the labor force has increased by 12,000. In September 1982, the total number of persons out of work amounted to 621,000, representing an unemployment rate of 14.5 percent.

Job Market Improves Across State

Following two straight months of declining payrolls, Michigan's wage and salary employment rebounded in September. Total industry jobs amounted to 3,235,600, the highest level recorded since December 1981. Approximately 68,900 employment opportunities were added as job gains were evident in all three sectors of the economy. Total manufacturing jobs at 915,500, experienced the largest monthly gain, primarily as a result of increased activity in the automotive and related industries. The 43,700 additional positions in the goods-producing sector, accounted for nearly 63 percent of the total employment gain in September. Private nonmanufacturing employment increased by 15,100 to total 1,750,400, as the settlement of the labor dispute within the transportation, communication and utilities industry accounted for most of the job gain. Public sector job climbed by 10,100 as educational facilities resumed operations following the summer recess period. Over the year, significant growth in the manufacturing and governmental sectors has enabled total wage and salary to increase by 45,000 positions or 1.4 percent. Since September 1982, manufacturing employment opportunities have climbed by 29,300 while government has grown by 17,300.

Civilian Labor Force, Employment and Unemployment Estimates

September, 1983 (Preliminary)

Area	Civilian Labor Force	Total Employment	Unemployment Number	Unemployment Rate
Michigan	4,294,000	3,768,000	527,000	12.3%
Ann Arbor-Ypsilanti	147,400	135,400	12,000	8.1
Battle Creek SMSA	81,900	72,300	9,600	11.7
Bay City-SMSA	53,200	45,800	7,400	13.9
Benton Harbor-SMSA	69,000	59,800	9,200	13.3
Detroit	1,967,900	1,716,800	251,100	12.8
Flint-SMSA	225,600	192,900	32,700	14.5
Grand Rapids SMSA	332,600	298,500	34,100	10.3
Jackson-SMSA	64,000	54,800	9,200	14.4
Kalamazoo-Portage SMSA	138,000	124,300	13,700	9.9
Lansing-East Lansing-SMSA	243,600	221,400	22,200	9.1
Muskegon-Norton Shores-Muskegon Heights SMSA	78,600	67,400	11,200	14.2
Saginaw-SMSA	99,700	87,900	11,800	11.8
Upper Peninsula LMA	143,500	125,200	18,300	12.8

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

Item	Sept. 1983	Aug. 1983	July 1983	Sept. 1982
PLACE OF RESIDENCE				
Civilian Labor Force	4,294.0	4,370.0	4,404.0	4,282.0
Employment	3,768.0	3,784.0	3,829.0	3,661.0
Unemployment	527.0	586.0	575.0	621.0
Rate	12.3%	13.4%	13.1%	14.5%
PLACE OF WORK				
Wage and Salary Employment	3,235.6	3,166.7	3,184.8	3,190.6
Manufacturing	915.5	871.8	872.2	886.2
Durables	710.2	668.2	672.2	686.9
Lumber & Wood Products	11.4	11.3	10.5	9.6
Furniture & Fixtures	22.2	21.1	20.6	21.4
Metals	158.0	151.0	148.7	151.2
Primary Metals	47.8	45.7*	46.0	48.0
Fabricated Metals	110.2	105.3*	102.7	103.2
Nonelectrical Machinery	117.8	113.8	115.1	127.6
Electrical Machinery	30.7*	26.7*	29.1	29.0
Transportation Equipment	336.7	311.6	315.6	313.8
Motor Vehicles & Equip.	318.8	293.8*	297.8	296.9
Other Transportation Equip.	17.9	17.8	17.8	16.9
Other Durables	33.4	32.7	32.6	34.3
Nondurables	205.3	203.6	200.0	199.3
Food & Kindred Products	49.8	51.3	49.5	49.3
Textiles & Apparel	20.2	19.2	18.5	18.9
Paper & Allied Products	21.3	21.1	21.0	20.9
Printing & Publishing	32.0	32.0	31.8	31.4
Chemicals & Petroleum	45.0	45.0	45.1	45.4
Other Nondurables	37.0	35.0	34.1	33.4
Nonmanufacturing	1,750.4	1,735.3	1,747.9	1,752.0
Construction	97.6	96.8	96.6	94.9*
Trans., Commun., & Utilities	136.4	121.2*	138.2	139.6
Wholesale Trade	149.0	148.1	146.2	149.9
Retail Trade	541.9	543.5	542.2	547.0
Finance, Real Estate & Ins.	151.5	152.8	152.7	151.6
Services	663.2	661.9	661.4	659.1
Mining	10.8	11.0*	10.6	9.9
Government	569.7	559.6	564.7	552.4
Federal	56.1	57.1	58.3	57.3
State	143.4	136.9	133.6	136.6
Local	370.2*	365.6	372.8	358.5*
Workers Involved in Labor Disputes	4.1	18.0	1.2	17.2

* Indicates a labor-management dispute in the industry.

Notes: Data expressed in thousands. Current month data are preliminary.

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics — 1982 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program — March 1982 Benchmark.

Claims Activity

Following a slight increase in August due to automotive model changeover, the number of individuals collecting unemployment benefits in Michigan dropped significantly during September. The regular benefit claims load averaged 105,575 per week during the month, approximately 24,375 or 19 percent lower than the August total. In September 1982, the number of claimants drawing benefits under the regular program averaged 217,750.

Additionally, the number of individuals collecting benefits under the Federal Supplemental Compensation (FSC) program continued to fall in September. The number of claimants receiving FSC benefits declined by 30,125 or 45 percent to average 36,800 for the month. The Extended Benefit (EB) program "triggered off" May 21, 1983, thereby disqualifying claimants from collecting benefits under that program.

Weekly Claims for Unemployment Insurance

Week Ending	Regular Program Total	Regular Program Initial	Regular Program Cont'd	Federal Supplemental Compensation Total	Federal Supplemental Compensation Initial	Federal Supplemental Compensation Cont'd
September 3, 1983	111,200	17,400	93,800	42,000	3,800	38,200
September 10, 1983	104,300	13,200	91,100	33,000	3,600	29,400
September 17, 1983	105,300	13,400	91,900	34,300	3,500	30,800
September 24, 1983	101,500	13,300	88,200	37,900	3,600	34,300

Area Prices Increase Slightly

The Consumer Price Index for the Detroit metropolitan area rose by one-tenth of a percent over the month to reach 299.2 in September. The rise in Detroit area prices was primarily the result of significant increases in men's apparel. Partially offsetting the higher clothing costs were slightly lower housing, fuel and food prices. Prices in the area climbed by 1.5 percent since September 1982 when the Consumer Price Index registered 294.9.

Nationally, the cost of living increased at a much faster pace as the Consumer Price Index totaled 301.8, up 1.5 points from a month ago. Increased prices were evident in all consumer items, however, apparel, medical goods and services and renters' costs were higher than the norm. Between September 1982 and September 1983, national consumer prices rose by 2.9 percent. A year ago, the national Consumer Price Index stood at 293.3.

Hours and Earnings

The average workweek of Michigan production workers in manufacturing industries climbed from 42.1 in August to 43.5 in September. The significant rise in hours worked was primarily the result of recalled automotive workers following model changeover. The average hourly earnings of manufacturing production workers increased by 28 cents to $11.77, while the average weekly earnings rose by $28.07 to reach $511.69. In September 1982, hourly earnings averaged $11.29 an hour or $431.09 per week for a 38.2 hour workweek.

Industry	Average Hourly Earnings a/ Sept. 1983	Aug. 1983	Sept. 1982	Average Weekly Hours a/ Sept. 1983	Aug. 1983	Sept. 1982	Average Weekly Earnings a/ Sept. 1983	Aug. 1983	Sept. 1982
TOTAL MANUFACTURING	**$11.77**	**$11.49**	**$11.29**	**43.5**	**42.1**	**38.2**	**$511.69**	**$483.62**	**$431.09**
DURABLE GOODS	12.29	12.00	11.75	43.9	42.2	37.8	538.83	505.80	444.52
Primary Metal Products	11.96	11.94	12.34	42.1	41.6	38.8	502.89	496.70	478.93
Fabricated Metal Products	11.38	11.18	10.80	43.5	42.0	37.6	495.37	469.24	405.75
Nonelectrical Machinery	11.68	11.68	11.62	41.7	41.3	38.3	487.32	482.81	444.82
Electrical Machinery	10.35	10.21	9.71	42.9	42.5	39.5	444.17	434.23	383.42
Motor Vehicles & Equip.	13.72	13.34	13.09	45.6	42.8	37.2	626.20	571.57	486.49
NONDURABLE GOODS	9.81	9.75	9.67	42.1	41.9	39.5	412.88	408.20	382.13
Contract Construction	14.14	14.06	14.16	38.0	37.4	35.6	537.92	525.06	503.51
Department Stores	6.11	6.11	5.84	29.9	29.9	31.5	182.63	182.80	183.96

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

Labor Surplus Areas Eligible for Federal Procurement Preference From October 1, 1983 through September 30, 1984

Eligible Labor Surplus Areas	Political Jurisdiction(s) Included
Alcona County	Alcona County
Alger County	Alger County
Allegan County	Allegan County
Alpena County	Alpena County
Antrim County	Antrim County
Arenac County	Arenac County
Baraga County	Baraga County
Barry County	Barry County
Battle Creek City	Battle Creek City in Calhoun County
Bay County	Bay County
Benzie County	Benzie County
Berrien County	Berrien County
Branch County	Branch County
Calhoun County, Balance of	Calhoun County, less Battle Creek City
Cass County	Cass County
Charlevoix County	Charlevoix County
Cheboygan County	Cheboygan County
Chippewa County	Chippewa County
Clare County	Clare County
Clinton County	Clinton County
Clinton Township	Clinton Township in Macomb County
Crawford County	Crawford County
Dearborn Heights City	Dearborn Heights City in Wayne County
Delta County	Delta County
Detroit City	Detroit City in Wayne County
Dickinson County	Dickinson County
Eaton County, Balance of	Eaton County less Lansing City
Emmet County	Emmet County
Farmington Hills City	Farmington Hills in Oakland County
Flint City	Flint City in Genesee County
Genessee County, Balance of	Genesee County less Flint City
Gladwin County	Gladwin County
Gogebic County	Gogebic County
Grand Rapids City	Grand Rapids City in Kent County
Grand Traverse County	Grand Traverse County
Gratiot County	Gratiot County
Hillsdale County	Hillsdale County
Houghton County	Houghton County
Huron County	Huron County
Ionia County	Ionia County
Iosco County	Iosco County
Iron County	Iron County
Jackson County	Jackson County
Kalamazoo City	Kalamazoo City in Kalamazoo County
Kalkaska County	Kalkaska County
Keweenaw County	Keweenaw County
Lake County	Lake County
Lansing City	Lansing City in Ingham and Eaton Counties
Lapeer County	Lapeer County
Leelanau County	Leelanau County
Lenawee County	Lenawee County

Eligible Labor Surplus Areas	Political Jurisdictions(s) Included
Livingston County	Livingston County
Luce County	Luce County
Mackinac County	Mackinac County
Macomb County, Balance of	Macomb County less Clinton Township, Roseville City, St. Clair Shores City, Sterling Heights City, Warren City
Manistee County	Manistee County
Marquette County	Marquette County
Mason County	Mason County
Mecosta County	Mecosta County
Menominee County	Menominee County
Midland County	Midland County
Missaukee County	Missaukee County
Monroe County	Monroe County
Montcalm County	Montcalm County
Montmorency County	Montmorency County
Muskegon County	Muskegon County
Newaygo County	Newaygo County
Oakland County, Balance of	Oakland County less Farmington Hills City Pontiac City, Royal Oak City, Southfield City, Troy City, Waterford Township
Oceana County	Oceana County
Ogemaw County	Ogemaw County
Ontonagon County	Ontonagon County
Osceola County	Osceola County
Oscoda County	Oscoda County
Otsego County	Otsego County
Pontiac City	Pontiac City in Oakland County
Presque Isle County	Presque Isle County
Roscommon County	Roscommon County
Roseville City	Roseville City in Macomb County
Royal Oak City	Royal Oak City in Oakland County
Saginaw City	Saginaw City in Saginaw County
Saginaw County, Balance of	Saginaw County less Saginaw City
St. Clair County	St. Clair County
St. Clair Shores City	St. Clair Shores City in Macomb County
St. Joseph County	St. Joseph County
Sanilac County	Sanilac County
Schoolcraft County	Schoolcraft County
Shiawassee County	Shiawassee County
Southfield City	Southfield City in Oakland County
Sterling Heights City	Sterling Heights City in Macomb County
Taylor City	Taylor City in Wayne County
Tuscola County	Tuscola County
Van Buren County	Van Buren County
Warren City	Warren City in Macomb County
Washtenaw County, Balance of	Washtenaw County less Ann Arbor City
Waterford Township	Waterford Township in Oakland County
Wayne County, Balance of	Wayne County less Dearborn City, Dearborn Heights City, Detroit City, Livonia City, Redford Township, Taylor City, Westland City
Westland City	Westland City in Wayne County
Wexford County	Wexford County

Source: Michigan Employment Security Commission — Bureau of Research and Statistics

MICHIGAN EMPLOYMENT
SECURITY COMMISSION
7310 WOODWARD
DETROIT, MICHIGAN 48202

OFFICIAL BUSINESS
PENALTY FOR PRIVATE
USE $300

JOB SERVICE
Michigan Employment Security Commission

POSTAGE AND FEES PAID
EMPLOYMENT SECURITY MAIL
LAB 449

ADDRESS CHANGE
☐ Remove from mailing list
☐ Change as shown
Please send this form and attached label to the Michigan Employment Security Commission; Bureau of Research and Statistics; 7310 Woodward Avenue; Detroit, Michigan 48202